



New York City Council

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Finance Division

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Hearing on the Mayor's Fiscal Year 2011 Preliminary Budget

Fire Department

March 10, 2010

Committee on Fire and Criminal Justice

Hon. Elizabeth Crowley, Chair

Andy Grossman, Deputy Director, Finance Division

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Summary and Highlights

Fire Department

Dollars in Thousands

	2008 Actual	2009 Actual	2010 Adopted	2010 Jan. Plan	2011 Preliminary	Difference, 2010 – 2011*
Personal Services	\$1,364,649	\$1,436,499	\$1,487,213	\$1,546,404	\$1,474,184	(\$13,028)
Other than Personal Services	156,632	156,174	129,416	214,219	122,043	(7,373)
Table Total	\$1,521,281	\$1,592,672	\$1,616,629	\$1,760,623	\$1,596,227	(\$20,402)

The Department's Personal Services (PS) Budget for Fiscal 2011 decreases by \$13 million due to the Department's proposals to reduce headcount by 762 positions through various budget actions, most notably the elimination of 20 fire companies. The \$7.4-million decrease in the Agency's Fiscal 2011 OTPS Budget is due to adjustments in prior plan actions, a baseline reduction in Federal grants, and reductions associated with the proposal to de-activate the Street Alarm Boxes.

The significant increase in the Department's Fiscal 2010 Budget can be attributed, in large part, to an overtime adjustment that increases the PS Budget, and the receipt of Federal grants which increase both the Department's PS and OTPS Budgets.

FDNY: Issues and Budget Highlights

- Eliminate Staffing for 20 Fire Companies - Attrition.** The Department proposes to eliminate 20 fire companies to close the budget gap. This action would reduce the Department's headcount by 500 firefighter positions and generate savings of \$37.4 million in Fiscal 2011, increasing to \$43.7 million by Fiscal 2014. (see p. 8)
- Elimination of 5th Firefighter Post on 60 Engine Companies - Attrition.** In the Fiscal 2011 Preliminary Budget, the Department proposes to eliminate the 5th firefighter post on all 60 engine companies that currently staff five firefighters (not including one lieutenant). This action is estimated to generate savings of \$7.9 million in Fiscal 2011 (partial year), increasing to \$20.6 million in Fiscal 2014. Headcount would be reduced by 300 positions through attrition. This action would need to be the subject of collective bargaining. (see p. 9)
- De-activation of the Street Alarm Box System.** The Department proposes to de-activate the street alarm box system which would generate savings estimated at \$748,000 in Fiscal 2010, increasing to \$3.5 million in Fiscal 2014. Headcount would be reduced by 10 positions. (see p. 9)
- Billing for Unwarranted Alarms.** The Fire Department will institute a repeat violator program for defective and unwarranted alarms that occur on three or more occasions. It is projected that this action will generate \$2.2 million in annual revenues. (see p. 16)
- FDNY Discriminatory Hiring.** A federal judge ruled on Jan 13, 2010 that New York City intentionally discriminated against black applicants to the Fire Department by continuing to use an exam that was ruled to put them at a disadvantage. The judge subsequently ordered remedial actions. The City issued statements strongly disagreeing with the judge's rulings and is weighing its legal options. (see p. 14)

Fire Department

The Fire Department (FDNY) responds to fires, public safety and medical emergencies, disasters and terrorist acts to protect the lives and property of City residents and visitors. The Department advances fire safety through its fire prevention, investigation and education programs, as well as contributes to the City's homeland security efforts. The Department responds to more than 260,000 fire and non-fire related emergencies and more than one million medical emergencies each year, and maintains approximately 250 firehouses and ambulance stations.

Key Public Services Areas

- Protect lives and property from fire hazards and other emergency conditions.
- Provide quick, efficient and high-quality response to medical emergencies.

Critical Objectives

- Ensure prompt response time to fires and other non-fire emergencies.
- Reduce the risk of fire incidents through quality inspections, investigations and public education.
- Ensure prompt response time to medical emergencies.

SOURCE: Mayor's Management Report

Fire Department Financial Summary

Dollars in Thousands

	2008 Actual	2009 Actual	2010 Adopted	2010 Jan. Plan	2011 Jan. Plan	Difference 2010–2011
Budget by Program Area						
Fire Exting / Emergency Resp.	\$1,127,625	\$1,174,662	\$1,208,449	\$1,256,140	\$1,186,026	(\$22,423)
Emergency Medical Services	197,518	211,719	223,257	224,749	223,586	328
Executive Administrative	165,113	170,452	146,607	238,320	144,291	(2,316)
Fire Prevention	20,624	23,731	27,535	28,606	29,348	1,813
Fire Investigation	10,401	12,108	10,780	12,808	12,977	2,196
TOTAL	\$1,521,281	\$1,592,672	\$1,616,629	\$1,760,623	\$1,596,227	(\$20,402)
Funding						
City Funds			\$1,430,178	\$1,445,954	\$1,419,575	(\$10,603)
<i>Memo: Council Funds</i>			16,977	16,977		
Other Categorical			165,586	165,885	165,307	(280)
Capital-IFA			0	120	240	240
State			1,786	1,808	1,801	15
Federal – Other			8,336	135,470	2,000	(6,336)
Intra-City			10,743	11,387	7,305	(3,438)
TOTAL			\$1,616,629	\$1,760,623	\$1,596,227	(\$20,402)

Fire Department Headcount Summary

	2008 Actual	2009 Actual	2010 Adopted	2010 Jan. Plan	2011 Jan. Plan	Difference 2010–2011
Positions						
Full-Time Positions – Civilian*	4,714	4,690	4,728	4,739	4,748	20
Full-Time Positions - Uniformed	11,585	11,459	11,183	11,201	10,401	(782)
TOTAL	16,299	16,149	15,911	15,940	15,149	(762)

*Includes all EMS staff

FY 2010 Council Changes at Adoption by Program Area

Dollars in Thousands

Fire Extinguishment/Emergency Response	
<i>Fire Company Restoration</i>	\$16,909
TOTAL	\$16,909

During the 2009 budget season, the Department proposed to close 16 Fire Companies throughout the City in an effort to close the budget gap for Fiscal 2010 and the outyears. The 16 Fire Companies to be eliminated would have come from firehouses that include both Engine and Ladder Companies so that no firehouses were proposed to be shut down. The FDNY operates 194 Engine Companies and 143 Ladder Companies. There are 136 firehouses that contain both engine and ladder companies.

Citing the importance of public safety, the City Council acted to restore funding to maintain operations for these 16 Fire Companies and to retain 400 associated firefighter positions, substituting alternative cuts to close the budget gap. It should be noted, however, that the City Council’s restoration was only included in the City’s Financial Plan for Fiscal 2010. Absent any other actions, funding to keep these fire companies operational in Fiscal 2011 and beyond does not exist.

Overtime

The FDNY’s annual overtime budget for Fiscal 2010-2014 averages approximately \$187.6 million, 6.5 percent higher than the agency’s average overtime spending (\$176.2 million) over the 5-year period from Fiscal 2005 to Fiscal 2009. According to the 2010 January Plan, overtime for uniformed firefighters would account for 82.9 percent of the Department’s total overtime expenditures for Fiscal 2010. Total overtime funds are significantly higher in Fiscal 2010 (\$230.7 million) compared to 2011 and the outyears (approximately \$177 million). This is the result of the receipt of non-City grant funding and an additional \$15 million included in the 2009 November Plan due in large part to a combination of reduced hiring as well as recent high firefighter absentee rates.

Actual Overtime - Fiscal 2005-2009

	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Uniformed	\$132,609,245	\$157,377,862	\$140,945,884	\$137,057,102	\$127,618,176
Civilian	7,517,836	10,388,123	10,231,662	12,965,324	12,713,750
EMS	20,587,572	26,107,483	27,075,354	28,842,041	29,054,895
Total OT	\$160,714,653	\$193,873,468	\$178,252,900	\$178,864,467	\$169,386,821

Planned Overtime - 2010 January Plan

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Uniformed	\$191,192,677	\$139,116,088	\$138,088,696	\$142,171,815	\$141,898,157
Civilian	11,264,351	9,767,190	9,767,190	9,767,190	9,767,190
EMS	28,219,551	26,761,443	26,761,443	26,761,443	26,761,443
Total OT	\$230,676,579	\$175,644,721	\$174,617,329	\$178,700,448	\$178,426,790

Miscellaneous Revenue

	Actual		Planned			
	2008	2009	2010	2011	2012	2013
Private Alarm Co. Fees	\$2,291,316	\$1,292,256	\$1,137,000	\$1,137,000	\$1,137,000	\$1,137,000
Fire Inspection Fees	43,737,346	45,121,055	48,278,000	51,994,148	51,779,714	51,779,714
2% Tax on Fire Insurance	20,557,559	27,569,650	23,000,000	47,421,000	47,421,000	47,421,000
Other Charges for Services	3,291,763	2,995,267	2,500,000	2,500,000	2,500,000	2,500,000
TOTAL	\$69,877,984	\$76,978,228	\$74,915,000	\$103,052,148	\$102,837,714	\$102,837,714

Note: The Miscellaneous Revenue budget does not include ambulance transport revenue generated by EMS. (See EMS section below.)

The Fire Department issues permits and collects fees for: the inspection of fire suppression and electrical systems, places of public assembly, laboratories, high-rise buildings, and the storage and use of combustible materials. In addition, the Department realizes revenues from fees charged to out-of-state fire insurers that issue policies in New York City, and to private fire alarm companies. In 2010, the Miscellaneous Revenue estimate for the Fire Department is \$74.9 million for these services.

Franchise revenue consists exclusively of fees charged to private alarm companies that operate in New York City.

The bulk of revenue in the Department's Miscellaneous Revenue Budget stem from two specific fees: fire inspection fees and a 2-percent tax on fire insurance premiums. In Fiscal 2010, fire inspection fees are projected to generate approximately \$48.3 million, while the 2-percent tax on fire insurance premiums is projected to generate \$23 million. The significant increase in the 2-percent tax projection for Fiscal 2011 and the outyears is due to the Department's plan to re-submit legislation to the State to increase the tax on fire insurance premiums from insurers located outside of the City from 2% to 4%, a budget proposal that did not materialize in the Fiscal 2010 Adopted Budget.

Receipt of Federal Grants

Since Adoption, the Fire Department has recognized the receipt of approximately \$127.1 million in Federal grants. Large-scale Federal grants that make up this increase include: approximately \$26.9 million in State Homeland Security Grants and approximately \$65.6 million in Urban Area Security Initiative Grants both housed in the Executive Administrative Budget; and a \$26.5 million grant for medical monitoring related to 9/11/01 workers housed in the Fire Extinguishment and Emergency Response Budget.

Capital Program

Capital Budget Summary

The January 2010 Capital Commitment Plan includes \$515.95 million in Fiscal 2010-2013 for the Fire Department (including City and Non-City funds). This represents 1.3 percent of the City's total \$39.14 billion January Plan for Fiscal 2010-2013. The agency's January Commitment Plan for Fiscal 2010 - 2013 is 0.5 percent greater than the \$513.36 million scheduled in the September Commitment Plan, an increase of \$2.59 million.

Over the past five years the Fire Department has only committed an average of 42.2 percent of its annual Capital plan. Therefore, it is assumed that a large portion of the agency's Fiscal 2010 Capital plan will be rolled into Fiscal 2011, thus greatly increasing the size of the Fiscal 2011-2014 Capital plan. Since Adoption last June, the Capital Commitment Plan for Fiscal 2010 has risen from \$233.57 million to \$236.15 million, an increase of \$2.58 million, or 1.1 percent.

Currently the Fire Department's appropriations total \$358.46 million in City-funds for Fiscal 2010. These appropriations are to be used to finance the agency's \$163.4 million City-funded Fiscal 2010 Capital Commitment Program. The agency has \$195.06 million, or two times the funding needed to meet its entire Capital Commitment Program for the current fiscal year.

Adopted Ten-Year Capital Strategy

The Department's Ten-Year Capital Strategy includes a total of \$775.4 million in funding for the acquisition and maintenance of: facilities, equipment, communications, and computer systems for Fiscal 2010-2019.

FY 2010 Adopted Capital Commitment Plan

<i>Dollars in Thousands</i>	2010	2011	2012	2013	2014-2019
Facilities Renovation	\$102,412	\$32,200	\$0	\$14,016	\$51,262
Vehicles, Fire-Fighting Tools, and Equipment	96,666	76,566	71,326	60,875	197,914
Communications	10,925	2,924	1,164	9,043	10,054
Electronics and Data Processing	23,563	10,872	300	510	2,815
TOTAL	\$233,566	\$122,562	\$72,790	\$84,444	\$262,045

Facilities Renovation

The Ten-Year Capital Strategy includes \$199.9 million for the renovation of firehouse components such as boilers, electrical upgrades, kitchens, roofs, bathrooms, waterproofing, apparatus doors, floors, and windows. The average age of the Department's 219 firehouses is 75 years.

Vehicles, Fire-Fighting Tools, and Equipment

The Ten-Year Capital Strategy includes \$503.3 million for vehicle replacement and for firefighting tools and equipment including approximately \$145.4 million for Pumper fire trucks. The average lifecycle for the Department's vehicles is 11 years.

Communications

The Ten-Year Capital Strategy includes \$34.1 million for the upgrade of emergency communications systems, radio replacement and fire alarm call box cabling.

Electronics and Data Processing

The Ten-Year Capital Strategy includes \$38 million for computer network and applications development, as well as equipment replacement.

January Plan Funding for Large-Scale Fire Department Projects in the Capital Commitment Plan for Fiscal 2010-2020 include:

- Planned commitments totaling \$63.1 million for the Management Information and Control System, technology-related operations that include performing administrative and dispatching functions.
- Approximately \$56 million in planned commitments to build and repair EMS stations including: \$31.2 million for EMS Battalion 39 (Penn. Station) in Fiscal 2010, \$10.5 million for EMS Battalion 27 (Woodlawn) in Fiscal 2010, and \$14.2 million in Fiscal 2011 for a new Soundview EMS station.
- Planned commitments totaling \$39.6 million for the Citywide Fire Alarm Communication System including \$22.8 million for mobile radios.
- Planned commitments of \$27.2 million in Fiscal 2010 for the Department's Marine 9 facility (Homeport pier complex, Staten Island).
- Planned commitments of \$10.5 million in Fiscal 2010 for improvements to the Department's training centers at Fort Totten and Randalls Island.

Note: Emergency Communications

The City is undertaking significant upgrades and enhancements to its 911 Emergency Dispatch System. The majority of the Capital funding for this initiative totaling \$1.4 billion, known as the Emergency Communications Transformation Project (ECTP), is housed in the Department of Information Technology and Telecommunications (DoITT) budget. This project includes the development of a consolidated dispatch system, an upgraded telecommunications infrastructure, and redundant call taking and dispatch centers. In 2010, the City will complete the consolidation of Police, Fire, and EMS call taking and dispatch operations in the existing Public Safety Answering Center (PSAC 1). Design of a fully redundant backup call center (PSAC 2) will continue in 2010.

Program Areas

Fire Extinguishment/Emergency Response

The Fire Department currently provides fire and rescue operations via 357 units including 194 Engine Companies, 143 Ladder Companies.

The Department's Fiscal 2011 Fire Extinguishment and Emergency Response Budget decreases by \$22.4 million (1.8 percent) compared to the 2010 Adopted Budget. This decrease is due, in large part, to budget proposals that would eliminate 800 firefighter positions. Since Adoption, the increase in the Executive Administrative Budget for Fiscal 2010 can be attributed to the receipt of a \$26.5-million Federal grant for medical monitoring related to 9/11 workers.

<i>Dollars in Thousands</i>	2008	2009	2010	2010	2011	Difference
	Actual	Actual	Adopted	Jan. Plan	Jan. Plan	2010–2011
Spending						
Personal Services	\$1,087,111	\$1,135,711	\$1,173,722	\$1,221,102	\$1,156,367	(\$17,356)
Full-Time Salaried – Civilian	14,721	14,970	16,042	15,742	16,693	651
Full-Time Salaried – Uniform	779,484	831,289	847,415	847,362	835,327	(12,088)
Other Salaried & Unsalariated	69	72	40	81	41	1
Additional Gross Pay	134,607	142,295	141,845	143,294	147,007	5,162
Overtime - Civilian	4,111	3,706	3,259	3,541	2,041	(1,218)
Overtime - Uniformed	135,090	125,490	144,961	188,024	136,862	(8,099)
Fringe Benefits	19,028	17,887	20,160	22,059	18,395	(1,765)
Other Than Personal Services	\$40,514	\$38,951	\$34,726	\$35,038	\$29,659	(\$5,067)
Supplies and Materials	11,152	10,326	9,903	9,685	8,529	(1,374)
Property and Equipment	1,732	1,961	1,314	1,603	1,058	(256)
Other Services and Charges	820	1,015	1,061	1,042	1,036	(25)
Contractual Services	26,810	25,649	22,448	22,709	19,036	(3,413)
TOTAL	\$1,127,625	\$1,174,662	\$1,208,449	\$1,256,140	\$1,186,026	(\$22,423)
Funding						
City Funds			\$1,194,923	\$1,211,100	\$1,180,195	(\$14,728)
Federal – Other			4,271	35,771	0	(4,271)
Intra-City			8,314	8,314	4,876	(3,438)
State			940	955	955	15
TOTAL			\$1,208,449	\$1,256,140	\$1,186,026	(\$22,423)
Positions						
Full-Time Positions - Civilian	271	266	313	306	303	(10)
Full-Time Positions - Uniformed	11,498	11,320	11,016	11,016	10,216	(800)
TOTAL	11,769	11,586	11,329	11,322	10,519	(810)

Performance Measures

	FY 07	FY 08	FY 09	4-Month Actual FY 09	4-Month Actual FY 10	Target FY 11
Average response time to structural fires, Citywide (minutes:seconds)	4:29	4:22	4:05	4:06	3:56	4:15
Average response time to structural fires and medical emergencies by fire units (minutes:seconds)	4:24	4:20	4:13	4:13	4:12	*
Serious fires per 1,000 structural fires	114	108	97	94	87	*
Civilian fire fatalities	92	85	78	33	16	*
Firefighter burns	428	354	252	119	93	*
Firefighter injuries	11,516	10,332	10,607	3,759	3,910	*

According to the Preliminary Mayor's Management Report (PMMR), the average citywide response time to structural fires was 10 seconds faster during the most recent 4-month reporting period than it was in Fiscal 2009. The City's initiative to unify call-taking of the Police and Fire departments became effective in May 2009 and may have influenced this statistic.

The combined average time for fire units to respond to structural fires and medical emergencies decreased by 1 second during the reporting period.

The number of serious fires per 1,000 structural fires decreased 7 percent during the reporting period. The number of structural fires decreased 1 percent, and non-structural fires decreased 12 percent.

Civilian fire fatalities decreased 52 percent, from 33 in the first four months of Fiscal 2009 to 16 in the first four months of Fiscal 2010.

During the reporting period, firefighter burns sustained in service decreased 22 percent, while service-connected firefighter injuries increased 4 percent.

Budget Proposals

- Eliminate Staffing at 4 Engine Companies – Attrition.** In the Fiscal 2011 Preliminary Budget Plan, the Department proposes to eliminate staffing at 4 engine companies. This action is designed to generate savings of approximately \$5.6 million in Fiscal 2011, \$6.7 million in Fiscal 2012, \$ 6.6 million in Fiscal 2013 and \$6.7 in Fiscal 2014. Department headcount would be reduced by 100 uniformed firefighters through attrition. This proposal is in addition to the 16 fire companies previously scheduled to be eliminated beginning in Fiscal 2011 as part of the Fiscal 2010 Budget. (The Council restored funding for these 16 companies in Fiscal 2010.) The combined actions would eliminate staffing at 20 Fire companies, reduce the Department's headcount by 500 positions, and generate total savings of \$37.4 million in Fiscal 2011, \$40.9 million in Fiscal 2012, \$43.6 million in Fiscal 2013 and \$43.7 in Fiscal 2014. The Department has not ruled out closing firehouses.

The companies to be eliminated would predominately be engine companies, although the Department has not determined specifics. The Department uses three main criteria when making decisions about closures: 1) projected post-closing response time to the company's first-due alarm boxes; 2) the

number of occupied structural fires the company works; and 3) projected post-closing response time to the company's second-due alarm boxes. The Department also considers: total runs; medical emergencies; "workers" (runs where the company performed any work); the operational knowledge of senior chiefs; proximity to other units; workload impact on surrounding units; street layout and geographic obstacles; response of perimeter companies; impact of the company closing in the community it serves; and overall safety of the City. The primary function of Engine Companies is to put out the fire ("get water on the fire"). The primary function of Ladder Companies is search and rescue.

Note: In early 2003, Mayor Bloomberg proposed eliminating eight engine companies as part of the Fiscal 2004 budget plan. In June 2003, six of the proposed engine companies were eliminated, which resulted in four firehouses being shut down (two of the six engine companies were located in firehouses that also housed ladder companies which continued to operate). The elimination of these companies generated annual budget savings of approximately \$8 million. In the wake of these closures, the response time to structural fires increased by two seconds the following fiscal year.

The Fire Companies eliminated were:

Engine Company 204 – Cobble Hill, Brooklyn (Firehouse closed)

Engine Company 212 – Greenpoint, Brooklyn (Firehouse closed)

Engine Company 278 – Sunset Park, Brooklyn (Firehouse closed)

Engine Company 209 – Bedford Stuyvesant., Brooklyn (Ladder Co. 102 continues to operate.)

Engine Company 261 – Long Island City, Queens (Ladder Co. 116 continues to operate.)

Engine Company 36 – Harlem, Manhattan (Firehouse closed)

- **Elimination of 5th Firefighter Post on 60 Engine Companies – Attrition.** In the Fiscal 2011 Preliminary Budget, the Department proposes to eliminate the 5th firefighter post on all 60 engine companies that currently staff five firefighters (not including one lieutenant). These 60 companies are currently staffed with five firefighters due to a stipulation in the UFA contract which expires on January 1, 2011. The remaining 134 engine companies currently staff four firefighters per shift. This proposal would have to be negotiated with the Uniform Firefighters Association (UFA) and is estimated to result in savings of \$7.9 million in Fiscal 2011 (partial year), \$16.7 million in Fiscal 2012, \$18.9 million in Fiscal 2013, and \$20.6 million in Fiscal 2014. Headcount would be reduced by 300 positions through attrition.
- **Elimination of 20 Firefighter Posts – Attrition.** The Fire Department proposes to eliminate 20 firefighter posts citywide beginning in Fiscal 2012. This action would achieve a baseline savings of \$5.6 million and would reduce headcount by 100 positions. (5 firefighters are required to cover each post.)
- **De-activation of the Street Alarm Box System.** The Department proposes to de-activate the street alarm box system, subject to the lifting of existing judicial restraints. This action would generate savings of \$748,000 in Fiscal 2010, \$2.5 million in Fiscal 2011, \$2.9 million in Fiscal 2012, \$3.2 million in Fiscal 2013, and \$3.5 million in Fiscal 2014 relating to system maintenance. Headcount would be reduced by 10 positions.

Judicial action is needed to de-activate the 15,000 boxes because in 1997 a federal judge said such a move would violate the civil rights of the deaf. Due to advances in technology and the commonality of cell phones, the Department feels the alarm boxes are no longer necessary. The fire dispatchers union argues, however, that relying exclusively on phones in an emergency is dangerous because the cell phone system can become overloaded during times of disaster or mass emergencies.

Emergency Medical Services

EMS is responsible for delivering ambulance and pre-hospital emergency medical services citywide, as well as providing tactical and medical direction to field personnel and administrative and support services to the EMS Bureau. EMS operates 372 Basic Life Support (BLS) ambulance tours and 200 Advanced Life Support (ALS) ambulance tours citywide. The Department anticipates its ambulances will respond to over 1.2 million medical incidents in 2010.

<i>Dollars in Thousands</i>	2008 Actual	2009 Actual	2010 Adopted	2010 Jan. Plan	2011 Jan. Plan	Difference 2010–2011
Spending						
Personal Services	\$175,133	\$190,896	\$200,913	\$201,922	\$201,445	\$532
Full-Time Salaried – Civilian	129,374	143,663	154,421	155,078	155,791	1,370
Full-Time Salaried – Uniform	169	189	176	190	190	14
Other Salaried and Unsalari ed	533	576	518	518	518	0
Additional Gross Pay	15,823	16,972	17,038	17,039	17,411	372
Overtime - Civilian	28,842	29,055	28,007	28,220	26,761	(1,246)
Fringe Benefits	387	390	753	877	774	21
Amounts to be Scheduled	6	51	0	0	0	0
Other Than Personal Services	\$22,385	\$20,823	\$22,344	\$22,827	\$22,141	(\$203)
Supplies and Materials	8,590	7,759	7,067	7,031	6,830	(237)
Property and Equipment	1,133	1,028	764	1,001	767	3
Other Services and Charges	2,703	2,365	3,742	3,768	3,741	(1)
Contractual Services	9,957	9,651	10,772	10,993	10,803	31
Fixed and Misc. Charges	2	22	.6	35	.6	0
TOTAL	\$197,518	\$211,719	\$223,257	\$224,749	\$223,586	\$328
Funding						
City Funds			\$54,796	\$55,346	\$55,404	\$608
Intra-City			2,029	2,672	2,029	0
Other Categorical			165,586	165,885	165,307	(280)
State			846	846	846	0
TOTAL			\$223,257	\$224,749	\$223,586	\$328
Positions						
Full-Time Positions - Civilian	3,206	3,172	3,147	3,153	3,152	5
Full-Time Positions - Uniformed	1	1	1	1	1	0
TOTAL	3,207	3,173	3,148	3,154	3,153	5

Performance Measures

	FY 07	FY 08	FY 09	4-Month Actual FY 09	4-Month Actual FY 10	Target FY 11
Average response time to life-threatening medical emergencies by ambulance units (minutes:seconds)	6:36	6:39	6:40	6:36	6:39	6:35

According to the PMMR, the average response time to life-threatening medical emergencies by ambulance units was 6 minutes 39 seconds in the first four months of Fiscal 2010, 3 seconds slower than the same period last year. Combined response time to life-threatening medical emergencies by ambulance and fire units was 5 minutes 43 seconds, 4 seconds slower than last year, while fire unit response time to these emergencies remained the same at 4 minutes 14 seconds. The loss of three ambulance tours, a 2-percent increase in call volume, and increased transport times caused by the closure of two Queens emergency rooms contributed to the slowed response time.

Budget Proposals

- Reassignment of 25 EMS Administrative Personnel to the Field.** The Department proposes to reassign 25 EMS administrative personnel to field positions. It is estimated that this action would generate baseline savings of \$1.5 million beginning in Fiscal 2011 by reducing EMS overtime costs. There would be no net impact to headcount.
- Sunset Park EMS Station Supervision.** Supervisory staff is needed for the new Sunset Park EMS Station. The Department would hire 7 supervisory staff (6 Lieutenants and 1 Captain) at a cost of \$201,199 in Fiscal 2010 (partial year), increasing to \$402,398 in Fiscal 2011 and 2012, and \$425,437 in Fiscal 2013 and 2014.

Ambulance Transport Revenue

	<u>Actual Revenue</u>				
	<i>(Dollars in Thousands)</i>				
	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Medicare	\$21,154	\$25,746	\$24,591	\$26,512	\$25,712
Commercial	25,285	42,446	44,969	64,263	75,798
Self Pay	4,919	6,095	6,827	6,532	6,398
Bad Debt Sold				1,847	1,084
Total FDNY Collections	\$51,358	\$74,287	\$76,387	\$99,154	\$108,992

Note: Medicare figures have been adjusted to accurately reflect claims made for Fiscal 2008 and Fiscal 2009.

HHC Subsidy	\$55,446	\$57,421	\$56,655	\$56,745	\$60,204
Total Revenue	\$106,804	\$131,708	\$133,043	\$150,299	\$174,797

The Department collects revenue from EMS ambulance transports. In 2010, revenue from Medicaid and non-Medicaid sources is projected at approximately \$165 million. Of this \$165 million, approximately \$60 million stems from Health and Hospitals Corporation (HHC) Medicaid payments for ambulance transports to HHC hospitals. The overwhelming majority of the remainder is collected from persons who have private insurance.

The significant increases in revenue collected in Fiscal 2005 through 2009 can be attributed to the FDNY's hiring of a billing and collections vendor.

Executive Administrative

These units of appropriation provide for all civilian policy direction, administration, human resources support, and funding to purchase supplies, materials and other services required to support executive and administrative operations (Fiscal Services, Personnel, Budget and Health Services) for the entire Department. Also included are the infrastructure and vehicle maintenance units, and the Bureau of Information and Computer Services.

The Executive Administrative Budget for Fiscal 2011 decreases by \$2.3 million when compared to the Fiscal 2010 Adopted Budget. This decrease is the net effect of budget actions including, OTPS funding shifts to budgets of other program areas. Since Adoption, the Executive Administrative Budget for Fiscal 2010 increases by \$91.7 million. This increase is attributed to the receipt of approximately \$26.9 million in State Homeland Security Grants and approximately \$65.6 million in Urban Area Security Initiative Grants.

<i>Dollars in Thousands</i>	2008 Actual	2009 Actual	2010 Adopted	2010 Jan. Plan	2011 Jan. Plan	Difference 2010–2011
Spending						
Personal Services	\$72,168	\$74,578	\$74,756	\$82,468	\$74,915	\$160
Full-Time Salaried – Civilian	56,332	58,181	56,725	60,168	56,655	(69)
Full-Time Salaried – Uniform	2,088	2,415	4,604	4,630	4,701	97
Other Salaried and Unsalaries	2,212	2,793	2,685	3,207	2,763	78
Additional Gross Pay	3,396	3,533	2,943	2,943	2,967	26
Overtime - Civilian	7,641	7,542	6,682	6,948	6,951	269
Overtime - Uniformed	66	31	92	92	94	2
Fringe Benefits	744	736	901	4,357	659	(242)
Amounts to be Scheduled	150	32	124	124	124	0
PS Other	(461)	(685)	0	0	0	0
Other Than Personal Services	\$92,945	\$95,874	\$71,851	\$155,852	\$69,375	(\$2,476)
Supplies and Materials	14,533	17,168	11,072	31,598	10,964	(108)
Property and Equipment	6,800	6,922	1,132	4,057	1,809	678
Other Services and Charges	32,694	37,034	39,707	38,342	37,507	(2,200)
Contractual Services	38,123	34,283	19,889	81,391	19,043	(846)
Fixed and Misc. Charges	795	467	53	463	53	0
TOTAL	\$165,113	\$170,452	\$146,607	\$238,320	\$144,291	(\$2,316)
Funding						
City Funds			\$142,143	\$141,059	\$143,651	\$1,508
Capital-IFA				120	240	240
Federal – Other			4,064	96,742	0	(4,064)
Intra-City			400	400	400	0
TOTAL			\$146,607	\$238,320	\$144,291	(\$2,316)
Positions						
Full-Time Positions - Civilian	845	833	805	817	806	1
Full-Time Positions - Uniformed	23	22	39	39	39	0
TOTAL	868	855	844	856	845	1

Budget Proposals

- **National Institute of Occupational Safety and Health (NIOSH) Grant.** The Department received a grant of \$2 million in Fiscal 2010 from **NIOSH** which will help cover salaries of personnel in the Bureau of Health Services that serve the World Trade Center Medical Programs.
- **Facilities Personnel.** The Department would hire 11 trades people within the Bureau of Facilities at a cost of \$207,561 in Fiscal 2010, increasing to \$830,246 in Fiscal 2011 and the outyears. The purpose of the new hires would be to mitigate major Capital expenses stemming from the lack of maintenance.

Issues

- **FDNY Discriminatory Hiring.** Nicholas G. Garaufis of Federal District Court in Brooklyn ruled on Jan 13, 2010 that New York City intentionally discriminated against black applicants to the Fire Department by continuing to use an exam that was ruled to put them at a disadvantage. One week later, the judge ordered the City of New York to remedy years of discriminatory hiring in the Fire Department by giving hundreds of black and Latino applicants jobs, along with years of retroactive pay, and offering thousands of others some damages. Judge Garaufis said that the roughly 7,400 minority applicants who took the tests in question should be able to apply for compensation from the City. Of that group, 293 applicants would be given priority hiring status and retroactive seniority. The ruling also called for the City to show that its current test is not discriminatory, and to develop a new method of determining how to rank applicants who pass the exam. The City issued statements strongly disagreeing with the judge's rulings and is weighing its legal options.

Fire Prevention

The Bureau of Fire Prevention is responsible for the enforcement of New York City's fire code through the inspection of all multi-unit dwellings, the collection of revenues from inspection fees and code violation fines, certificate of fitness testing of all vocations that handle combustible materials, and the development and implementation of public education programs.

The Department's Fiscal 2011 Fire Prevention Budget would increase by \$1.8 million compared to the 2010 Adopted Budget. This increase is predominantly the result of budget proposals that would add 24 positions to Fire Prevention headcount.

<i>Dollars in Thousands</i>	2008 Actual	2009 Actual	2010 Adopted	2010 Jan. Plan	2011 Jan. Plan	Difference 2010-2011
Spending						
Personal Services	\$20,235	\$23,275	\$27,118	\$28,181	\$28,557	\$1,440
Full-Time Salaried – Civilian	16,925	19,702	22,085	22,188	23,520	1,435
Full-Time Salaried – Uniform		899	3,069	3,069	3,069	0
Other Salaried and Unsalariated	54	58	37	37	37	0
Additional Gross Pay	864	1,126	1,005	1,005	1,005	0
Overtime - Civilian	1,182	1,454	768	771	771	4
Overtime - Uniformed			91	1,049	93	2
Fringe Benefits	42	36	62	62	62	0
Amounts to be Scheduled	1,169	0	0	0	0	0
Other Than Personal Services	\$389	\$456	\$417	\$425	\$791	\$373
Supplies and Materials	86	76	87	63	355	268
Property and Equipment	21	22	10	7	5	(5)
Other Services and Charges	242	245	230	214	230	0
Contractual Services	39	113	90	140	200	110
TOTAL	\$20,624	\$23,731	\$27,535	\$28,606	\$29,348	\$1,813
Funding						
<i>City Funds</i>			\$27,535	\$27,641	\$29,348	\$1,813
<i>Federal – Other</i>			0	958	0	0
<i>State</i>			0	7	0	0
TOTAL			\$27,535	\$28,606	\$29,348	\$1,813
Positions						
Full-Time Positions - Civilian	386	413	457	457	481	24
Full-Time Positions - Uniformed	0	0	27	27	27	0
TOTAL	386	413	484	484	508	24

Note: The Fire Department's four-year Fire Code Revision Project culminated on May 28, 2008, with the City Council's enactment of a new Fire Code for New York City. The legislation, Local Law No. 26, was signed by Mayor Bloomberg on June 3, 2008.

Performance Measures

	FY 07	FY 08	FY 09	4-Month Actual FY 09	4-Month Actual FY 10	Target FY 11
Completed inspections performed by fire prevention staff	180,508	162,474	159,961	59,417	51,232	162,000
Field force inspections	48,540	56,383	61,732	22,260	23,099	*

According to the PMMR, the number of completed fire prevention inspections, performed by FDNY inspectors who visit sites to ensure compliance with the City's Fire Code, decreased 14 percent in the 4-month reporting period in Fiscal 2010 as compared to the same period in Fiscal 2009. In Spring and Summer 2009 the Department hired new inspectors to fill the vacancies in the Bureau of Fire Prevention that resulted from the reassignment of 25 experienced inspectors to the Construction, Demolition, and Abatement (CDA) inspection program. Prior to assuming full inspection responsibilities, all new inspectors were trained for six weeks, followed by on-the-job mentoring. The CDA inspection program called for the creation of a Fire Prevention Inspection Team to inspect buildings undergoing construction, demolition and abatement. This undertaking is related to recommendations emanating from analysis following the tragic fire at the former Deutsche Bank building that took the lives of two firefighters.

Field force inspections performed by fire units who visit commercial and residential buildings within designated areas increased by 4 percent during the reporting period. In addition, the Department conducted 8,661 CDA inspections during the first four months of Fiscal 2010.

Budget Proposals

- Billing for Unwarranted Alarms.** The Fire Department will institute a repeat violator program for defective and unwarranted alarms that occur on three or more occasions. It is projected that this action will generate \$2.22 million in annual revenues. This action would increase the Department's headcount by one position and result in additional expenditures of \$220,000 per year, decreasing the net revenues to \$2 million annually.
- New Fire Code Related Revenue.** The Fire Department intends to hire 17 staff to conduct additional inspections mandated by the Fire Code. This action would increase the Department's expenditures by \$1.1 million in Fiscal 2011 and \$917,692 in Fiscal 2012 and the outyears. The cost of the staff will be offset by increased inspection revenue.
- Fire Alarm Inspection Unit Revenue.** Due to an increase in new accounts and failures requiring re-inspection, the Department intends to hire 7 additional staff to conduct additional fire alarm inspections. This action would increase Department expenditures by \$377,797 in Fiscal 2011 and \$364,022 in Fiscal 2012 and the outyears. This expense increase would be offset by increased inspection revenue.

Issues

Construction, Demolition and Asbestos Abatement

In conjunction with the creation of a Fire Prevention Inspection Team, the City Council passed legislative measures that represented a significant overhaul of the City's construction, demolition, and asbestos abatement procedures. These measures included a package of twelve bills that resulted from a collaborative process between the Administration and the Council. The bills combined the findings and recommendations of "the Working Group" called for by the Mayor to strengthen the safety, oversight and coordination of CDA operations with legislative proposals put forth by Council Members in the wake of the Deutsche Bank Building fire. The bills are collectively intended to improve CDA procedures in the City of New York.

Fire Investigation

The Bureau of Fire Investigation is responsible for investigating and determining the cause and origin of all suspicious fires, and for the apprehension of arsonists. The Department will deploy 118 Fire Marshals to field duty in 2010.

Compared to the Adopted Budget, the Fire Investigation Budget increases in Fiscal 2011 by \$2.2 million due, in large part, to the recognition of a \$2-million Federal Stimulus Grant that provides funding for 18 fire marshal positions.

<i>Dollars in Thousands</i>	2008 Actual	2009 Actual	2010 Adopted	2010 Jan. Plan	2011 Jan. Plan	Difference 2010–2011
Spending						
Personal Services	\$10,001	\$12,039	\$10,704	\$12,731	\$12,901	\$2,196
Full-Time Salaried – Civilian	273	271	312	312	315	3
Full-Time Salaried – Uniform	6,340	7,723	6,504	8,798	8,928	2,424
Additional Gross Pay	1,190	1,537	1,526	1,229	1,252	(275)
Overtime - Civilian	28	12	4	4	4	0
Overtime - Uniformed	1,898	2,097	2,028	2,028	2,067	39
Fringe Benefits	271	399	331	361	335	4
Other Than Personal Services	\$400	\$69	\$76	\$76	\$76	\$0
Supplies and Materials	51	40	53	13	53	0
Property and Equipment	302	20	10	58	10	0
Other Services and Charges	5	3	14	1	14	0
Contractual Services	41	6	0	5	0	0
TOTAL	\$10,401	\$12,108	\$10,781	\$12,808	\$12,977	\$2,196
Funding						
<i>City Funds</i>			\$10,781	\$10,808	\$10,977	\$196
<i>Federal – Other</i>			0	2,000	2,000	2,000
TOTAL			\$10,781	\$12,808	\$12,977	\$2,196
Positions						
Full-Time Positions - Civilian	6	6	6	6	6	0
Full-Time Positions - Uniformed	63	116	100	118	118	18
TOTAL	69	122	106	124	124	18

Performance Measures

	FY 07	FY 08	FY 09	4-Month Actual FY 09	4-Month Actual FY 10	Target FY 11
Investigations	5,971	5,940	6,118	2,017	2,113	*

According to the PMMR, fire marshal investigations into the cause and origin of fires and other fire-related offenses increased 5 percent during the reporting period.

Issues

In the Fiscal 2008 Adopted Budget, the previously-shuttered Queens Fire Marshal Base was re-opened and the fire marshal headcount was increased by 32 positions. 2009 PMMR data indicated that there had been

no significant increase in fire investigations since this increase in headcount which led the Department to reduce fire marshal headcount, as part of the Department's budget reduction program, as per the 2010 Adopted Budget. In the November Plan, headcount was again increased by 18 positions after the City received approximately \$2 million in Federal Stimulus funding for fire marshal positions. This funding is set to expire after Fiscal 2011.

Appendix A: Budget Actions in the November and January Plans

<i>Dollars in Thousands</i>	FY 2010			FY 2011		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as of June 2009 Plan	\$1,430,178	\$186,451	\$1,616,629	\$1,429,380	\$181,261	\$1,610,641
Program to Eliminate the Gap (PEGs)						
Elimination of 5h Firefighter Post on 60 Eng. Co's- Attr			\$0	(\$7,859)		(\$7,859)
Elimination of Staffing 4 Eng. Co's			0	(5,587)		(5,587)
De-activate Street Alarm Box System	(748)		(748)	(2,526)	(\$3,438)	(5,964)
NIOSH Grant	(2,007)		(2,007)			0
Reassignment of 25 EMS Admin Personnel to Field			0	(1,530)		(1,530)
Elimination of 20 Firefighter Posts - Attrition			0			0
Billing for Uwarranted Alarms			0	220		220
Total, PEGs	(\$2,755)	\$0	(\$2,755)	(\$17,282)	(\$3,438)	(\$20,720)
New Needs						
Facilities Personnel	\$208		\$208	\$830		\$830
Sunset Park EMS Station Supervision	201		201	402		402
Total, New Needs	\$409	\$0	\$409	\$1,233	\$0	\$1,233
Other Adjustments						
Overtime Adjustment (Nov Plan)	\$15,000		\$15,000			
Misc City Adjustments	226		226	\$1,496		\$1,496
IFA- 3 Project mangers	(120)	\$120	0	(240)	\$240	0
Collective Bargaining	2,893		2,893	2,893		2,893
Fringe	124		124	2,094		2,094
Intra-City Adjustments		644	644			0
State Grants and Adjustments		22	22		(10)	(10)
Federal Grants and Adjustments		127,134	127,134		(1,401)	(1,401)
Other Categorical Grants and Adjustments		298	298			0
Total, Other Adjustments	\$18,123	\$128,218	\$146,341	\$6,244	(\$1,171)	\$5,073
Agency Budget as of January 2010 Plan	\$1,445,954	\$314,671	\$1,760,625	\$1,419,575	\$176,652	\$1,596,227